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PROVINCE OF BRITISH COLUMBIA

TWENTY-SEVENTH ANNUAL REPORT

pursuant to the

PUBLIC SERVICE BENEFIT PLAN ACT

YEAR ENDED MARCH 31, 2003

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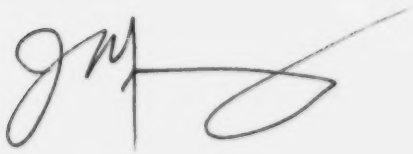
To: The Honourable Iona Campagnolo
Lieutenant-Governor of the Province of British Columbia

YOUR HONOUR:

The undersigned respectfully submits the Annual Report of the business done pursuant to the *Public Service Benefit Plan Act* during the fiscal year ended March 31, 2003.



Joyce Murray
Minister of Management Services and
Minister Responsible for the Public Service

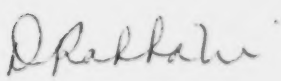
February 6, 2004

Honourable Joyce Murray
Minister of Management Services and
Minister Responsible for the Public Service
Victoria, British Columbia

Dear Minister Murray:

I am pleased to submit the Annual Report of the business done by the Public Service Employee Relations Commission pursuant to the *Public Service Benefit Plan Act* during the fiscal year ended March 31, 2003.

Respectfully submitted,



Diane Rabbani
Deputy Minister

February 3, 2004

INTRODUCTION

This annual report represents business completed under the *Public Service Benefit Plan Act* during the 2002/2003 fiscal year.

The *Public Service Benefit Plan Act* was introduced in 1976. The Act was designed to allow contracts to be made with insurers in providing a variety of benefits, dental plan benefits and long term disability benefits programs to different groups of employees in the public service in order to ensure consistency with the agreements between the government and a bargaining unit under the *Public Service Labour Relations Act*.

The Public Service Employee Relations Commission (PSERC)[1] is responsible for implementing the *Public Service Benefit Plan Act* and its regulations. PSERC manages and administers the benefits plan, develops policy and negotiates contracts with the insurance companies. The benefits are funded through a Benefits Vote that recovers the benefit costs from ministries (and some participating employers) in the form of a charge back as a percentage of payroll. Other participating employers pay the actual costs for the benefits provided to their employees.

The *Public Service Benefit Plan Act* is divided into two parts. Part 1 deals with employee benefits (i.e. group life insurance, extended health care and dental, and long term disability). Part 2 deals with coverage under the *British Columbia Medical Plan*. Depending on a public service employee's type and length of service, the benefit package can include:

- Extended Health & Dental
- Group Life Insurance
- Long Term Disability
- Short Term Illness and Injury
- Employee & Family Assistance Program
- Group Aviation
- Public Service Pension Plan
- Canada Pension Plan
- Employment Insurance
- Workers' Compensation
- Medical Service Plan

Thirty-six other employers received benefits under the Act. Details of the insurance arrangements of each benefits plan and the participating employers are set out in the *Public Service Benefit Plan Act* regulations.

This fiscal year, three employers disbanded or left the Public Service Benefit Plan. They include: Fisheries Renewal BC; Forest Renewal BC; and the Okanagan Valley Tree Fruit Authority. Also, three organizations were added to the Public Service Benefits Plan. They include: the British Columbia Excluded

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[1] Note. Effective April 1, 2003, the responsibility held by PSERC will transfer to the BC Public

Employees' Association (as employer); Partnerships British Columbia; and the Workers' Compensation Appeal Tribunal.

On April 1, 2003, the BC Public Service Agency (Agency) will be established as the new structure for managing, governing and delivering human resource services and programs. Under this shared-services approach to human resource service delivery, the Agency will provide human resource management services to public service ministries and organizations in British Columbia.

Under the new BC Public Service Agency structure, a comprehensive review of the public service benefits management and administration in the BC public service will take place. Phase One of this review will examine such topics as administration costs and charge back rates, while Phase Two will consist of a review of cost containment/cost reduction measures and the development of an integrated approach towards employee benefits.

Employers participating in some, or all, of the employee benefits plans include:

- Province of British Columbia
- Members of the Legislative Assembly
- Agricultural Land Commission
- BC Investment Management Corporation
- BC Mental Health Society
- BC Securities Commission
- British Columbia Buildings Corporation
- British Columbia Excluded Employees' Association
- British Columbia Ferry Corporation
- British Columbia Government and Service Employees' Union
- British Columbia Housing Management Commission
- British Columbia Pension Corporation
- British Columbia Treaty Commission
- Columbia Power Corporation
- Emergency Health Services Commission
- First Peoples' Heritage, Language and Culture Council
- Forensic Psychiatric Services Commission
- Forest Practices Board
- Fraser Marine Transportation Limited (Albion Ferry Operations)
- Government House
- Highway Constructors Limited
- Industry Training and Apprenticeship Commission
- Labour Relations Board
- Land and Water British Columbia Inc.
- New Democratic Party Constituency Assistants
- Oak Bay Lodge Society
- Partnerships British Columbia
- Police Complaints Commissioner
- Professional Employees Association
- Provincial Capital Commission
- Public Sector Employers' Council
- Public Service Appeal Board
- Science Council of BC
- Tillicum & Veterans Care Society
- Tourism British Columbia
- Union of Psychiatric Nurses
- Workers' Compensation Appeal Tribunal

PUBLIC SERVICE BENEFIT PLAN ACT

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PUBLIC SERVICE BENEFIT PLAN ACT

PART I

MEDICAL SERVICES PLAN OF BRITISH COLUMBIA

For the Year
April 1, 2002 to March 31, 2003

PUBLIC SERVICE BENEFIT PLAN ACT

MEDICAL SERVICES PLAN OF BRITISH COLUMBIA

SUMMARY OF BENEFITS AND PREMIUMS

For the Year
April 1, 2002 to March 31, 2003

Benefits:

The Medical Services Plan provides medically required services of physicians or surgeons. Other Ministry of Health benefits include coverage for hospital accommodations, hospital services and expenses such as laboratory tests, and partial reimbursement of specific medications.

Enrolment:

Enrolment numbers as at March 31, 2003 total 25,565, which includes employees of the Public Service (active and on Long Term Disability).

Financial Arrangement:

The Medical Services Plan expense is based on a monthly premium arrangement. This benefit is 100% employer paid. The monthly premiums for the reporting period were:

	Single	Couple	Family
	$36	$64	$72
Effective May 1, 2002	$54	$96	$108

Carrier:

Medical Services Plan of British Columbia

PUBLIC SERVICE BENEFIT PLAN ACT

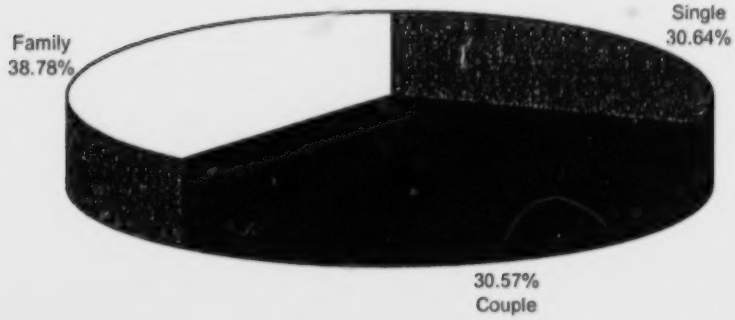
MEDICAL SERVICES PLAN

SCHEDULE NO. 1

PARTICIPATION ANALYSIS

As At March 31, 2003

	Single	Couple	Family	Total
BC Public Service Active Employees	7,278	7,370	9,677	24,325
Long Term Disability (LTD) Recipients	556	446	238	1,240
Total	**7,834**	**7,816**	**9,915**	**25,565**



PUBLIC SERVICE BENEFIT PLAN ACT

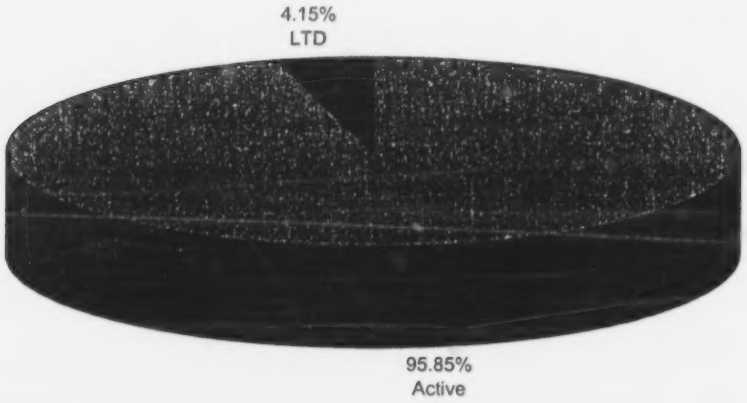
MEDICAL SERVICES PLAN

SCHEDULE NO. 2

GROSS EXPENDITURES ANALYSIS

For the Year April 1, 2002 to March 31, 2003

Total Expense	**$27,972,855**	
BC Public Service Active Employees	$26,812,027	95.85%
Long Term Disability (LTD) Recipients	1,160,828	4.15%
Total	**$27,972,855**	**100.00%**



PUBLIC SERVICE BENEFIT PLAN ACT
MEDICAL SERVICES PLAN
SCHEDULE NO. 3
GROSS EXPENDITURE
5 YEAR COMPARATIVE ANALYSIS

Cost Factors:

Medical Services Plan costs are premium based and change according to the number of members covered, and by the status of those members. Costs are affected by the total number of employees and dependents enrolled in the plan and the mix of single, couple and family coverage.

	1998/99	1999/2000	2000/2001	2001/2002	2002/2003	Percentage Increase/Decrease FY2003/FY2002
Active	$ 19,821,444	$ 19,300,672	$ 19,536,090	$ 20,316,159	$ 26,812,027	32.0
LTD	725,624	789,925	839,186	872,216	1,160,828	33.1
Total	**$ 20,547,068**	**$ 20,090,597**	**$ 20,375,276**	**$ 21,188,375**	**$ 27,972,855**	**32.0***

**Effective May 1, 2002, MSP rates increased by 50%*

PUBLIC SERVICE BENEFIT PLAN ACT

PART II

EXTENDED HEALTH CARE

For the Year
April 1, 2002 to March 31, 2003

PUBLIC SERVICE BENEFIT PLAN ACT

EXTENDED HEALTH CARE PLAN

SUMMARY OF BENEFITS AND CLAIMS

For the Year
April 1, 2002 to March 31, 2003

Benefits:

The Extended Health Care Plan is designed to partially reimburse specified medical expenses which are not covered by the Medical Services Plan, the Hospital Insurance Program, or the Pharmacare program. Eligible expenses include: charges for prescription drugs, the cost of emergency ambulance services, fees of a Physiotherapist, Chiropractor, Naturopathic Physician or Registered Psychologist. The benefit also provides partial reimbursement of eyeglasses, hearing aids, and reasonable charges for physicians in emergency cases while traveling outside British Columbia. Direct-pay through Blue Net provides for point-of-sale reimbursement on prescription drugs.

Enrolment:

Enrolment numbers as at March 31, 2003 total 36,664, which includes employees of the Province of British Columbia (active and on Long Term Disability), and employees from other participating employer groups.

Financial Arrangement:

The Extended Health Care Plan is financed on a "cost-plus" basis, consisting of an administration charge (based on a percentage of claims paid), plus time, materials, postage, and interest costs. Effective January 1, 2003, the administration charge decreased to 4.15% of paid claims. This benefit is 100% employer paid.

Claims Administrator:

Pacific Blue Cross

PUBLIC SERVICE BENEFIT PLAN ACT

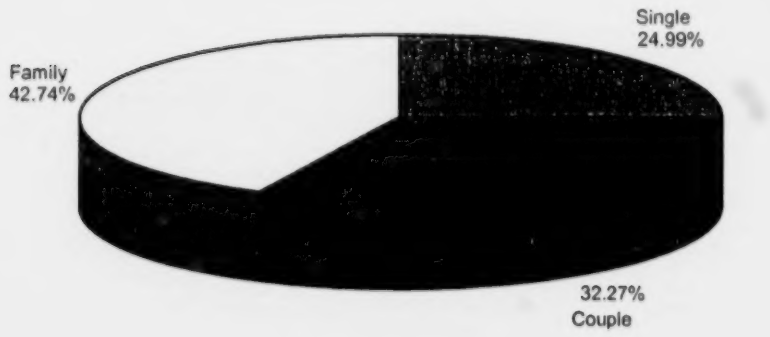
EXTENDED HEALTH CARE PLAN

SCHEDULE NO. 1

PARTICIPATION ANALYSIS

As At March 31, 2003

	Single	Couple	Family	Total
BC Public Service Active Employees	7,188	9,387	12,803	29,378
Other Participating Employers	1,423	1,872	2,541	5,836
Long Term Disability Recipients	550	574	326	1,450
Total	**9,161**	**11,833**	**15,670**	**36,664**



PUBLIC SERVICE BENEFIT PLAN ACT

EXTENDED HEALTH CARE PLAN

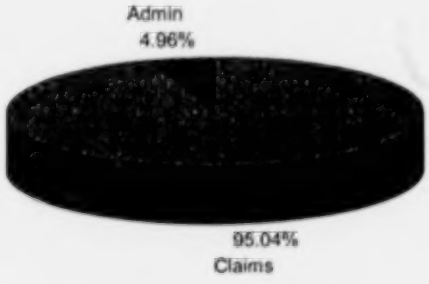
SCHEDULE NO. 2

CLAIMS ANALYSIS

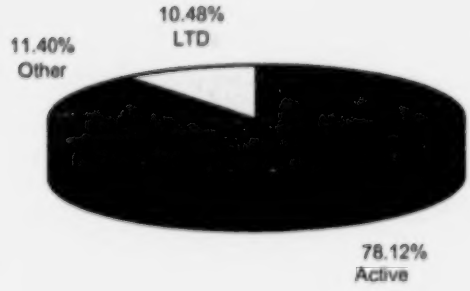
For the Year April 1, 2002 to March 31, 2003

Total Expense	**$ 22,919,230**

Claims	$ 21,783,401
Administration	1,135,829
Total	**$ 22,919,230**



BC Public Service Active Employees	$ 17,903,401
Other Participating Employers	2,613,264
Long Term Disability (LTD) Recipients	2,402,565
Total	**$22,919,230**



PUBLIC SERVICE BENEFIT PLAN ACT
EXTENDED HEALTH CARE
SCHEDULE NO. 3
GROSS EXPENDITURE
5 YEAR COMPARATIVE ANALYSIS

Cost Factors:

Extended Health Care costs such as drugs, medical equipment, eyeglasses, hearing aids, diabetic supplies, physiotherapy and other expenses are increasingly used as the population ages. These costs are being impacted by the increased use, and frequency of use, of the services by the large baby boom generation as they grow older. Costs are impacted by the number of employees and dependents covered under the plan. Drugs not reimbursed under other programs and new drugs including significant medical breakthroughs are much more expensive. These total medical costs continue to rise at a rate much higher than the Consumer Price Index.

	1998/99	1999/2000	2000/2001	2001/2002	2002/2003	Percentage Increase/Decrease FY2003/FY2002
Active	$ 11,682,604	$ 12,733,301	$ 14,394,357	$ 17,658,280	$ 17,903,401	1.4
Other	1,550,634	1,589,806	1,932,631	2,362,895	2,613,264	10.6
LTD	1,214,826	1,415,365	1,728,858	2,187,253	2,402,565	9.8
Total	**$ 14,448,064**	**$ 15,738,472**	**$ 18,055,846**	**$ 22,208,428**	**$22,919,230**	3.2

PUBLIC SERVICE BENEFIT PLAN ACT

PART III

DENTAL PLAN

For the Year
April 1, 2002 to March 31, 2003

PUBLIC SERVICE BENEFIT PLAN ACT

DENTAL PLAN

SUMMARY OF BENEFITS AND CLAIMS

For the Year
April 1, 2002 to March 31, 2003

Benefits:

The Dental Plan provides financial assistance for basic dental expenses incurred by eligible employees as follows:

PART A – 100%	**PART B – 65%**	**PART C – 55%**
Diagnostic services	Crowns	Orthodontics
Preventive services	Bridges	
Endodontics	Dentures	
Periodontic services		
Oral surgery		
Restorative services		
Prosthetic repair services and relines		

The percentage of expenses covered, based on the Pacific Blue Cross fee schedule and fee guide, are Part A 100%, Part B 65% and Part C 55%.

Enrolment:

Enrolment numbers as at March 31, 2003 total 36,664, which includes employees of the Province of British Columbia (active and on Long Term Disability), and employees from other participating employer groups.

Financial Arrangement:

The Dental Plan is financed on a "cost-plus" basis, consisting of an administration charge (based on a percentage of claims paid), plus time, postage, materials, and interest costs. Effective January 1, 2003, the administration charge decreased to 3.25% of paid claims. This benefit is 100% employer paid.

Claims Administrator:

Pacific Blue Cross

PUBLIC SERVICE BENEFIT PLAN ACT

DENTAL PLAN

SCHEDULE NO. 1

PARTICIPATION ANALYSIS

As At March 31, 2003

	Single	Couple	Family	Total
BC Public Service Active Employees	7,188	9,387	12,803	29,378
Other Participating Employers	1,423	1,872	2,541	5,836
Long Term Disability Recipients	550	574	326	1,450
Total	**9,161**	**11,833**	**15,670**	**36,664**

PUBLIC SERVICE BENEFIT PLAN ACT

DENTAL PLAN

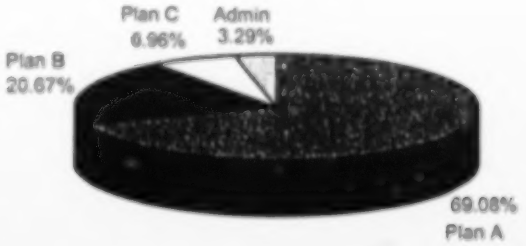
SCHEDULE NO. 2

CLAIMS ANALYSIS

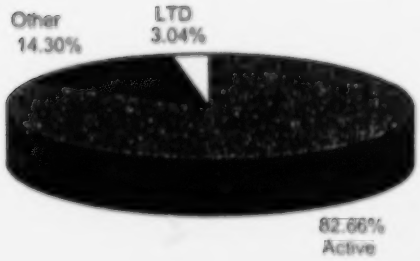
For the Year April 1, 2002 to March 31, 2003

Total Expense	**$ 39,986,892**

Plan A	$ 27,622,684
Plan B	8,264,746
Plan C	2,783,184
Administration	1,316,278
Total	**$ 39,986,892**



BC Public Service Active Employees	$ 33,051,380
Other Participating Employers	5,718,301
Long Term Disability (LTD) Recipients	1,217,212
Total	**$ 39,986,892**



PUBLIC SERVICE BENEFIT PLAN ACT

DENTAL PLAN

SCHEDULE NO. 3

GROSS EXPENDITURE

5 YEAR COMPARATIVE ANALYSIS

Cost Factors:

Dental Plan costs are affected by the number of employees and dependents enrolled in the plan and the amount the plan is used. The utilization rates are affected by the demographics of the plan members. Reimbursement is made in accordance with the Pacific Blue Cross Dental Fee Schedule which is adjusted annually. Changes to the Plan coverage are reflected in the costs.

	1998/99	1999/2000	2000/2001	2001/2002	2002/2003	Percentage Increase/Decrease FY2003/FY2002
Active	$ 24,794,614	$ 25,850,080	$ 26,765,610	$ 30,334,848	$ 33,051,380	9.0
Other	4,499,363	4,415,802	4,529,912	4,877,270	5,718,301	17.2
LTD	848,362	960,598	1,010,591	1,210,468	1,217,212	0.6
Total	**$ 30,142,339**	**$ 31,226,480**	**$ 32,306,113**	**$ 36,422,586**	**$ 39,986,892**	**9.8**

PUBLIC SERVICE BENEFIT PLAN ACT

PART IV

GROUP LIFE INSURANCE PLAN

For the Year
April 1, 2002 to March 31, 2003

PUBLIC SERVICE BENEFIT PLAN ACT

GROUP LIFE INSURANCE PLAN

SUMMARY OF PREMIUMS AND BENEFITS

For the Year
April 1, 2002 to March 31, 2003

Benefits:

Upon the death of an insured employee, the Group Life Insurance Plan provides a payment to that employee's designated beneficiary or estate.

This benefit includes a funeral advance payment provision, a terminally ill advance payment provision and an accidental dismemberment clause. Spouse and dependent coverage is available on an optional basis to all employee groups.

The coverage is a multiple of the employee's annual salary computed at either two or three times the annual salary, which is determined by their employment category. Minimum coverage levels are $40,000 (Nurses), $65,000 (BC Ferry Corporation) or $80,000 (all other employees).

Enrolment:

The number of insured lives as at March 31, 2003 total 43,905, with life insurance coverage to a total value of $8,748,595,824. Enrolment numbers include participants from the Province of British Columbia and other participating employer groups.

Financial Arrangement:

The Group Life Insurance Plan is financed on a premium basis, with a premium rate of 17¢ per $1,000 per month for insurance.

The cost of this benefit is shared between the employee and the employer, with the employer paying the premium for the minimum coverage and the employee paying the premium for coverage in excess of the minimum.

The carrier retention fee includes a general expense of 0.25% of billed premiums, profit of 0.25% of billed premiums, plus $175 per life claim.

Carrier:

The Great-West Life Assurance Company

PUBLIC SERVICE BENEFIT PLAN ACT

GROUP LIFE INSURANCE PLAN

SCHEDULE NO. 1

CLAIMS ANALYSIS

For the Year April 1, 2002 to March 31, 2003

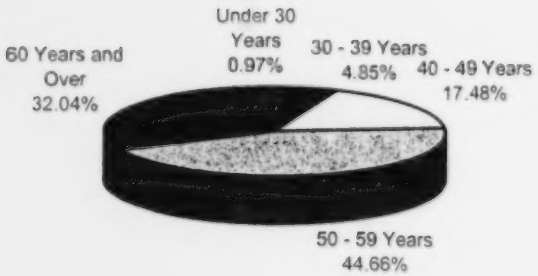
Amount of Claims	$13,056,000
Amount of Advances	$749,347
Total Amount of Claims	**$13,805,347**

Total Number of Claims

Male	55
Female	48
Total	**103**

Age At Death

	Number
Under 30 Years	1
30 - 39 Years	5
40 - 49 Years	18
50 - 59 Years	46
60 Years and Over	33
Total	**103**



Length of Service

	Number
Less than 10 Years	23
10 - 19 Years	31
20 - 29 Years	37
30 Years and Over	12
Total	**103**

PUBLIC SERVICE BENEFIT PLAN ACT

GROUP LIFE INSURANCE PLAN

SCHEDULE NO. 2

FINANCIAL SUMMARY

For the Year Ending March 31, 2003

FUNDING

Premiums	$ 14,851,447
Interest Received on Surplus	244,052
Interest on Cash Flow	244,208
Interest on Segregated Funds	(477,214)
Total	**$ 14,862,492**

EXPENDITURES

Employee Death Claims	$ 13,056,000
Disabled Life Death Claims	3,000
Dependent Death Claims	328,000
Advance Payments	749,347
Dismemberment Claims	-
Conversion Charges	211,906
Interest on Claim Payments	25,723
Assurance Company Retention	105,663
Benefit Premium Tax	290,519
Total	**$ 14,770,158**

Fund Balance at Beginning of Year	$ 21,049,469
Net Gain/Loss	92,334
Fund Balance at End of Year	**$ 21,141,803**

RESERVES

	Advanced Death Claim Reserve	Callable Refund Deposits	Disabled Life Reserve (1)	Surplus	Fund Balance
Beginning Balance	$ 747,500	$ 3,707,549	$ 41,000	$ 16,533,420	$ 21,029,469
Increase/(Decrease)	613,500	5,313	(3,000)	(523,478)	92,335
Ending Balance	$ 1,361,000	$ 3,712,862	$ 38,000	$ 16,029,942	$ 21,141,804

(1) This Reserve was established for claimants under former policies 6878GL(1), 6878GL(2) and 6878GL(3).

PUBLIC SERVICE BENEFIT PLAN ACT
GROUP LIFE INSURANCE PLAN
SCHEDULE NO. 3
TOTAL CLAIMS
5 YEAR COMPARATIVE ANALYSIS

Cost Factors:

The Group Life Plan costs arise from death and dismemberment claims. The total cost is determined by the number of such claims and the amount of each claim. The benefit formula is based on salary, therefore as salaries increase, the cost of claims increases.

Year	# of Claims	Total Amount of Claims	Percentage Increase(Decrease) to Total Amount of Claims
1998/1999	116	$10,120,000	35.0
1999/2000	92	$ 8,923,495	(8.8)
2000/2001	93	$10,507,985	17.8
2001/2002	98	$12,069,573	14.9
2002/2003	103	$13,805,347	14.4

PUBLIC SERVICE BENEFIT PLAN ACT

PART V

LONG TERM DISABILITY PLAN

For the Year
April 1, 2002 to March 31, 2003

PUBLIC SERVICE BENEFIT PLAN ACT

LONG TERM DISABILITY PLAN

SUMMARY OF BENEFITS AND CLAIMS

For the Year
April 1, 2002 to March 31, 2003

Benefits:

The Long Term Disability Plan provides income to employees who become totally disabled due to illness or injury. Benefits are payable after the employee has been totally disabled for at least seven months. The one exception is BC Ferry Corporation employees who are eligible for benefits after six months absence due to total disability.

Employee Group	Monthly Benefit (on average)
Bargaining unit employees	68.3% of the first $2,200 of monthly earnings and 50% of the monthly earnings above $2,200.
Excluded employees	68.3% of the first $2,500 of monthly earnings and 50% of the monthly earnings above $2,500.
BC Ferry Corporation (excluded employees only)	68.3% of the first $2,400 of monthly earnings and 50% of the monthly earnings above $2,400.
Judges	70% of the regular gross monthly earnings.

Benefits are paid until the employee recovers, resigns, retires, dies, or terminates employment.

Employees on long term disability continue to accrue pensionable service and are covered by the Group Life Insurance Plan, Dental Plan, Extended Health Care Plan and Medical Services Plan which is paid for from the LTD Fund.

Enrolment:

Enrolment numbers as at March 31, 2003 total 1,500 open claims. This benefit is extended to eligible employees of the Province of British Columbia and to employees of other participating employer groups. There is no enrolment process.

Financial Arrangement:

The Long Term Disability Plan is funded through employer contributions and are based on a percentage of payroll using an independent actuarial review of experience. For the year ending March 31, 2003, this was 2.09% of payroll for the Province of British Columbia. This benefit is 100% employer paid.

The Long Term Disability Plan pays any required contributions to continue the employee coverage under the Group Life Insurance Plan, Dental Plan, Extended Health Care Plan and Medical Services Plan.

Service Provider:

The Great-West Life Assurance Company

PUBLIC SERVICE BENEFIT PLAN ACT
LONG TERM DISABILITY PLAN
SCHEDULE NO. 1
CLAIMS ANALYSIS
For the Year April 1, 2002 to March 31, 2003

Month	New Claims Submitted	Accepted	Terminated Claims	Open Claims at Month-End
April 2002	36	31	203	1,469 *
May	52	42	53	1,481
June	29	21	46	1,474
July	32	33	50	1,466
August	47	40	36	1,478
September	31	28	27	1,486
October	45	39	36	1,500
November	39	33	41	1,508
December	49	40	32	1,530
January 2003	41	34	83	1,494
February	31	32	46	1,484
March	39	36	44	1,500
TOTAL	**471**	**409**	**697**	**N/A**

*Includes claims that were reopened for small adjustments made in April

5 Year Comparative Analysis

Year	New Claims Submitted	Accepted Claims	Terminated Claims	Open Claims on March 31
1998/1999	539	-	401	1,460
1999/2000	542	-	476	1,539
2000/2001	589	-	456	1,662
2001/2002	570	-	532	1,718
2002/2003	471	409**	679	1,500

**A comparative figure is not available for past years, but will be collected for future reports

PUBLIC SERVICE BENEFIT PLAN ACT
LONG TERM DISABILITY PLAN
SCHEDULE NO. 2
GROSS EXPENDITURE
5 YEAR COMPARATIVE ANALYSIS

Cost Factors:

Decreases in 1997/98 are attributed to a special retirement incentive program (SRIP) which resulted in 248 LTD recipients retiring in 1996/97, thus lowering costs for that fiscal year. Therefore, the increase for 1998/99 appears greater than it actually would have been without the SRIP program in 1996/97.

Year	Gross Expenditure	Percentage Increase(Decrease)
1998/99	$28,560,000	13.0
1999/2000	$31,665,000	10.9
2000/2001	$35,280,000	11.4
2001/2002	$39,860,000	13.0
2002/2003	$39,214,000	(9.8)

PUBLIC SERVICE BENEFIT PLAN ACT

LONG TERM DISABILITY PLAN

SCHEDULE NO. 3

STATEMENT OF NET ASSETS

AVAILABLE FOR BENEFITS

AS AT MARCH 31, 2003

		($ Thousands)
ASSETS		
Investments	$	201,359
Receivables		3,909
Sale of Investments		
Province of B.C. Contributions		-
Other Employer Contributions		494
Accrued Investment Income		46
Recoveries Receivable		52
Cash		-
Total Assets	$	205,860
LIABILITIES		
Bank Overdraft	$	4,060
Prepaid Contributions		-
Accounts Payable		3,668
Due for purchase of Investments		4,000
Total Liabilities	$	11,728
NET ASSETS AVAILABLE FOR BENEFITS	$	194,132

The LTD Plan is funded through employer contributions. The contributions are deposited in the LTD fund and invested by BC Investment Management Corporation. Reserves are established and maintained based on actuarial valuation. The audited Long Term Disability financial statements are available in the Public Accounts.

PUBLIC SERVICE BENEFIT PLAN ACT
LONG TERM DISABILITY PLAN
SCHEDULE NO. 4
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED MARCH 31, 2003

	Province of BC* ($ Thousands)	Other Participating Organizations ($ Thousands)	Total ($ Thousands)
INCREASE IN ASSETS			
Net Investment Income	$ (20,539)	$ (2,022)	$ (22,561)
Employers' Contributions	36,961	2,575	39,536
Other	-	-	-
Total Increase in Assets	**$ 16,422**	**$ 553**	**$ 16,975**
DECREASE IN ASSETS			
Disability Benefits	$ 24,958	$ 2,761	$ 27,719
Contributions to Other Employee Benefit Plans**	4,664	567	5,231
Other	44	-	44
Claims Administration & Actuarial Expense	841	181	1,022
Rehabilitation Programs	2,058	29	2,087
Program Administration Expense	2,929	0	2,929
Legal Settlements	2	0	2
Claims Review Committee	163	17	180
Total Decrease in Assets	**$ 35,659**	**$ 3,555**	**$ 39,214**
Increase(Decrease) in Net Assets	$ (19,237)	$ (3,002)	$ (22,239)
Net Assets Available for Benefits at Beginning of Year	196,237	20,134	$ 216,371
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	**$ 177,000**	**$ 17,132**	**$ 194,132**

*Includes Liquor Distribution Branch and B.C. Mental Health Society
**As reflected in other benefit sections of this report

The net assets available for benefits on March 31, 2003 represents 94% of the total liability based on an actuarial assessment.